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| Form 4089 Rev. 05-03 | Department of the Treasury - Internal Revenue Service NOTICE OF DEFICIENCY - WAIVER | Symbols: AP:FE:A2:BUF:JPR |
|---------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------|

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Name, TIN and Address of Taxpayer | TIN: 132-30-1205V |
| Estate of Gerald R. Thew, Deceased Richard W. Thew, Executor Clapp Hill Road - P.O. Box 195 LaGrangeville, NY 12540-0195 | |

| | |
|---------------------|------------------------------------------------------------------------------------------------------------------------------|
| Kind of Tax: | Copy to Authorized Representative: |
| Estate | William M. Bagliebter, Esq. Reed Smith LLP 599 Lexington Avenue New York, NY 10022-7650 |

| | |
|-----------------------|------------------------------------------------------|
| Date of Death | Deficiency |
| August 7, 1999 | <u>Increase in Tax</u> \$827,957.33 |

Note: Interest, as provided by law, will be charged on the unpaid liability until it is paid in full.

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest provided by law.

Your Signature _____ Date Signed: _____

Spouse's Signature, If A Joint Return Was Filed _____ Date Signed: _____

Taxpayer's Representative Sign Here _____ Date Signed: _____

Corporate Name: _____

Corporate Officers _____

| | | |
|-----------|-------|-------------|
| Signature | Title | Date Signed |
|-----------|-------|-------------|

Sign Here _____

| | | |
|-----------|-------|-------------|
| Signature | Title | Date Signed |
|-----------|-------|-------------|

Note:
If you consent to the assessment of the amounts shown in this waiver, please sign and return this form in order to limit the accumulation of interest and expedite our bill to you. Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are entitled to a refund. It will not prevent us from later determining, if necessary, that you owe additional tax; nor will it extend the time provided by law for either action.
If you later file a claim and the Internal Revenue Service disallows it, you may file suit for refund in a district court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

Who Must Sign
If this waiver is for any years(s) for which you filed a joint return, both you and your spouse must sign the original and duplicate of this form. Sign your name exactly as it appears on the return. If you are acting under power of attorney for your spouse, you may sign as agent for him or her.
For an agent or attorney acting under a power of attorney, a power of attorney must be sent with this form if not previously filed.
For a person acting in a fiduciary capacity (executor, administrator, trustee), file Form 56, Notice Concerning Fiduciary Relationship, with this form if not previously filed.
For a corporation, enter the name of the corporation followed by the signature and title of the officer(s) authorized to sign.

If you agree, please sign one copy and return it; keep the other copy for your records.

Estate of Gerald R. Thew, Deceased
Form: 706 - Date of Death: 08-07-99

AP:FE:A2:BUF:JPR
TIN: 132-30-1205V

Notice of Deficiency - Waiver

Form 4089 (continued) ... page 1 of 1.

When we receive a waiver or, in the absence of one, 90 days after the date of this letter, we will assess and bill you for an increase in tax in the amount of \$827,957.33 and any penalty charges, unless you have filed a petition with the United States Tax Court.

Duplicate originals of this statutory notice are being mailed to the Estate of Gerald R. Thew as follows:

Estate of Gerald R. Thew, Deceased
Richard W. Thew, Executor
Clapp Hill Road - P.O. Box 195
LaGrangeville, NY 12540-0195

Estate of Gerald R. Thew, Deceased
Richard W. Thew, Executor
P.O. Box 195 - Thew Road
LaGrangeville, NY 12540

Copies of this statement are being mailed to the authorized representative as follows:

William M. Bagliebter, Esq.
Reed Smith LLP
599 Lexington Avenue
New York, NY 10022-7650

| Form 3614-A Rev. 05-03 | | Schedule: 1 |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| Department of the Treasury - Internal Revenue Service E S T A T E T A X (For Persons Who Died After December 31, 1976) | | |
| | Estate of Gerald R. Thew, Deceased -- TIN: 132-30-1205V | Date of Death: 08-07-99 |
| * | Taxable estate plus adjusted taxable gifts as shown in: | |
| * | Return as Filed | \$11,711,854.00 |
| | Preliminary Notice ("PN") Statutory Notice of Deficiency ("SND") Increase (decrease) to taxable estate + adjusted taxable gifts ("ATG") -- See below | |
| * | Schedule E: All Other Joint Interests | 135,000.00 |
| * | Schedule F: Other Miscellaneous Property | 238,465.00 |
| * | Schedule G: Transfers During Decedent's Life | 665,499.00 |
| * | Adjusted Taxable Gifts | 9,714,882.00 |
| * | Taxable estate plus adjusted taxable gifts as revised (ATG = \$10,616,557.00) | 22,465,700.00 |
| T | 1. Tentative tax | 12,356,135.00 |
| A | 2. Aggregate gift taxes payable (after December 31, 1976) | 5,308,684.00 |
| X | 3. Subtract the amount on line 2 from the amount on line 1 | 7,047,451.00 |
| | 4. Unified credit against estate tax | 211,300.00 |
| C | 5. Adjustment to unified credit | 0.00 |
| O | 6. Allowable unified credit: Line 4 less line 5 | 211,300.00 |
| M | 7. Balance: Line 3 less line 6 (not less than zero) | 6,836,151.00 |
| P | 8. State death tax credit ("SDTC") substantiated | 1,362,663.00 |
| U | 9. Balance: Line 7 less line 8 | 5,473,488.00 |
| T | 10. Other credits: Not Applicable | 0.00 |
| A | 11. Balance: Line 9 less line 10 | 5,473,488.00 |
| T | 12. Other taxes: Not Applicable | 0.00 |
| I | 13. Net estate tax: Line 11 plus line 12 | 5,473,488.00 |
| O | 14. Estate tax assessed -- Per Form 706 (\$4,645,530.67) | 4,645,530.67 |
| N | 15. Increase (decrease) in estate tax: Line 13 less line 14 | 827,957.33 |
| | 16. Less: Additional state death tax credit (if substantiated) | 0.00 |
| * | 17. Increase (decrease) in estate tax after additional SDTC: Line 15 less line 16 | \$827,957.33 |
| * | 18. Addition to Tax: Not Applicable | NA |